Workshop on Strategic Plan for Implementation of Quality Culture within Higher Learning Institutions in East Africa

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General Strategic Planning

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Module Objectives

The main objectives of this module are to:

- **Explain the concept of strategic thinking and planning,**
- **Outline the main components of the strategic planning process.**
- **Briefly Elaborate how each of the processes can be conducted**
- **Provide a fill on the link between General SP and SP for QA;**

What is Strategic Planning

- A **Process** that charts an Institution's Broad Direction forward;

- Process helps the Institution decide what it wishes to achieve and the main actions it will need to undertake in the future

Purpose of the Strategic Planning

Strategic Planning Answers the following Questions:

- Why does the Institution Exists?
- What are its objectives?
- What do its clients expect?
- How will it measure its own performance?
- How will it use information to make improvement

Purpose of the Strategic Plan

- Provides a framework for the utilisation of the resources of the University;
- Serve as a leading instrument for planning, priority setting and long term decision making
- Serve as a basis for the operations of the university during the plan period.

Purpose of the Strategic Plan cont.

- Increase levels of institutional, departmental and individual accountability;

- Provide an opportunity to address fundamental questions and to undertake bold initiatives and reforms (e.g. Quality Assurance);

- Serve as Communication instrument for both staff and external stakeholders

Planning Process

- **One of the main tasks in the strategic management process is a total COMMITMENT by the entire University,**

- **Get agreement on HOW and WHEN and WHO will carry it out.**

Plan the Plan

Who should be considered in the process

- Vice Chancellor (as CEO) should be the leader;
- Officials who will have direct responsibility in the implementation; those who have a major stake in the outcome of the plan;
- Broad participation and ownership of the process and plan;
- Set up a STRATEGIC PLANNING COMMITTEE / SECRETARIAT;
- Facilitator (s) – Someone with understanding of the subject matter and experience
- Action Plan on Undertaking the Strategic Plan

Steps of the Strategic Planning Process

- **Step 1:** Information Gathering and Conducting Situational Analysis

- **Step 2:** Identification of Critical Issues Facing the Organization (the chosen areas form what are known as Key Results Areas (KRAs).

Steps cont.

- Step 3: Development (Review) of Mission Statement
- Step 4: Developing (Review) a Strategic Vision Statement
- Step 5: Development of (Strategic) Goals, Objectives and Targets
- Step 6: Formulation of Strategies for Each Objective

Steps Cont.

- **Step 7: Formulation of Performance Indicators**

- **Step 8: Preparation for Implementation: operational Planning, Resource Requirement, Annual Plan and Performance Budget and Monitoring and Evaluation Framework**

SITUATION ANALYSIS

Situation Analysis

- The situation analysis provides a basis for reviewing the university's operating environment: where did the university come from? Where is it now? Where is it going and what are its choices?
- The Situational Analysis establishes critical issues to be used during the development of mission, vision, objectives and targets

Situation Analysis

- There are several ways of conducting the situation analysis ranging from very sophisticated methods to simple ones:
  - Review of relevant Information
  - Performance Review
  - Service delivery Surveys
  - Self Assessment
  - Stakeholders Analysis
  - SWOC
- It is recommended that institutions use a combination methods outlined above;

Identification of Critical/Priority Issues

- These represent those issues that the University sees as being critical and which will therefore be addressed during the Plan Period

Critical/Priority Issues

- In identifying the critical issues, remember that you are also saying that:
- Given our role and functions; and
- Given our institutional strengths and weaknesses;

1) What priorities should the University focus on in the medium term
2) What OPPORTUNITIES being offered by the external environment can we take advantage of; and
3) 2) What THREATS/CHALLENGES posed by the external environment must we take steps to counter

What Next?

- Key Issues identified will form the basic framework of the Strategic Plan
- They will be used to identify the Key Result Areas
- They should represent areas of focus for the attainment of the University's mission and vision
- For each KRA, Objectives will be identified
- For each Objective, Strategies/Targets will be identified and set
- For each Target, Activities will also be identified and set.

Development
of the
Mission and Vision Statements

Development of the Mission Statement

Definition of Mission

Explains why the university exists and tell what it does. It defines the institution’s core business as well as its key clients.

Elements of a Mission Statement

The Mission Statement should thus:

- Indicate who the customers of the university are;
- Describe what the university does for them i.e what business it is in;
- Indicate why the university exists, i.e why it is in ‘Business’;
- Be easily differentiated from the missions of other universities;
- Be inspiring, motivating, memorable
- <u>KISS</u>: KEEP IT SHORT and SIMPLE.

Mission Statement

- In summary, the organisation's mission is its reason for existing.

- The mission describes the organisation in terms of the services [and goods] that it supplies, the markets that it is currently pursuing or plans to pursue in the future,and the client needs it aims to satisfy.

Mission of University D

: *"the unrelenting pursuit of scholarly and strategic research, education, training and public service directed at attainment of equitable and sustainable socio-economic development of Tanzania and the rest of Africa."*

What is a VISION?

Various Definitions of VISION

- The Act of Seeing
- Intuitive Foresight
- A Dream
- An idea that portrays future attributes which are desired for the organisation
- Our view/image of what the ideal future should look like at certain point in time
- An energising, positive and inspiring statement of where and what we want to be in the future

PO-PSM Definition

AN IDEALISED VIEW OF A DESIRABLE AND POTENTIALLY ACHIEVABLE STATE OF THE ORGANISATION IN THE FUTURE

About Vision Statements

- <u>Visions should appeal to the mind and heart alike</u>
- Visions represent a desirable and realistic goal
- Visions should awaken enthusiasm inside and outside the organisation
- <u>Visions create movement and action</u>
- Visions should be valid throughout the organisation and for everybody
- <u>Visions should be easily understood and remembered.</u>

Vision of University A

- By 2015 our distinctive ability to integrate world class research, scholarship and education will have secured us a place among the top 50 universities in the world

Vision of University B

T*o become* a *reputable world-class university that* is *responsive to national, regional and global development needs through engagement in dynamic knowledge creation and application*

Identification of the University's Core Values

Core Values

- Core values are important to the organisation
- They tell us what is really important to the people in the organisation and the values that they cherish or want to be known for
- They express the guiding principles which should bind each person in the university
- In brief, they indicate what makes a person proud to work for or be associated with the particular university
- Core values arise from the vision and mission of the organisation.

Examples of Core Values

- Accountable, approachable,competitive, cost effective
- Efficient, flexible,friendly, output oriented,fair, honest
- Responsive,innovative,leading, original,open,respectful
- Responsible,rewarding,trusting,performance oriented
- Customer friendly, customer driven.

OBJECTIVE SETTING

What do Objectives Reflect?

- Objectives reflect the critical target areas for the business period concerned
- They outline the areas of high priority for the university
- They focus on <u>RESULTS</u>, not activities or processes
- They reflect what the organisation needs to do in order to accomplish its vision and mission.

Objectives should:

- Cover the major functions and operations of the University
- Be expressed in a quantitative or qualitative form but should also be measurable, so that we can know when they have been achieved
- This can be further facilitated if the objective is SMART
- Be consistent with higher level frameworks e.g. the Government's overall strategic goals for the nation as expressed in the BUDGET GUIDELINES; Higher Educaction Development Programme;
- Should focus on targeted areas over which the University has a reasonable degree of control and influence.

Objective Setting “SMART” Concept

- SMART concept is the basis on which objectives are set.
- SMART stands for:

S – Specific

M – Measurable

A – Achievable

R – Realistic

T – Time Framed [Time Bound]

Different interpretations of what ‘R’ stands for in SMART. Some put it as Relevant/ Result Oriented/Realisable.

SMART Objectives

- Specific: Is the objective clear in terms of what is to be achieved?(I.e is not too vague or too broad)
- Measurable: Is it possible to measure whether the objective has been achieved?
- Achievable: Is it possible to achieve the objective within the time frame specified and given other factors such as available resources? Is it realistic?
- Result Oriented: Is the objective expressed as the result to be achieved
- Time Framed/Bound: Does the objective specify a date by when it will be achieved?

Quantitative and Qualitative Aspects

- Quantitative tells us 'How Many' OR 'How Much'
- Qualitative tells us 'How Well'

Examples of Good and Poor Objectives

Examples of Poor Objective and Good Objectives:

- **Poor Objective:**
- To increase students' pass rate in 2009/2010

- **Improved Objective:**
- Students' pass rate increased from 80% in 2006/7 academic year to 95% in 2009/2010 academic year

Examples of Good/Poor Objectives

Poor Objective:

To improve customer care at Mzumbe University

Improved Objectives:

Customer complaints reduced by 30% by 30 June 2010

Client satisfaction levels having risen by 30% by 30 June 2010

TARGETS

Definition

- Targets can be defined as the course of action to be taken in order to achieve the objective/s
- A target is a final good or service produced over time
- Targets describe HOW the university will achieve its objectives
- Targets should still be SMART and expressed as the result to be achieved using that strategy
- The development of Targets is probably the most important part of the strategic planning process

Targets are a Tool to Bridge the Gap

- Targets indicate how the organisation will move from its present position to the desirable future position expressed in the Objective
- They bridge the gap between the situation now and that at the end of the Objective's period
- The Targets must be complete and represent the full road to be travelled: They should not be incomplete

Key Questions When Formulating Targets

- What is the objective?
- What is the context?
- Who are the relevant actors?
- What are the strategic issues?
- What are the most important actions required?
- What are the logical steps to be followed?

Characteristics of Good target

- They are deliverables supplied to clients; they are under the control of the University through a relevant Faculty / Directorate / Department
- A target is applied from the perspective of the institution
- Target should be presented in SMART Format

Example of targets derived from an Objective

Example Objective:

- Customer (students) satisfaction levels raised from 60% in 2009 to 90% by 2012;

Targets

- Self Assessment on key services conducted by March 2010
- Service Improvement Plan based on areas for improvement for key services developed by June 2010;
- Service improvement Plan fully implemented by June 2012

STRATEGIES

What do Strategies Reflect?

- Strategies are broad statements, describing how the University will achieve its objectives;
- Strategies are a link between Objectives and Targets;
- Each objective has unique strategies which describe the broad approach to effect change;

Factors Affecting Choice of Strategy

- Societal, Political, Regulatory and Technology Considerations
- Competitive Conditions and overall Institutional Attractiveness
- University Market Opportunity and External Challenges
- University Resource Strengths, Competence and Competitive Capabilities

Example

- What is the context / Critical Area? : Growth and Sustainability

- What is the objective? : Students enrolment increased from 4000 in 2007/8 to 8000 by 2014/15

- Who are the relevant actors? Faculties, Academic Departments, Administrative Departments

- What are the strategic issues? Labour Market Needs; Development of new Programmes; Internal Capacity - Human Resources Development; Infrastructure Development

Example Cont.

What are the most important strategies required?

- ANALYSE Labour Market for new / existing programmes:
- Establish Demand
- DEVELOP New Demand Driven Programmes (Curriculum) / EXPAND existing strong / popular programme
- Match Programme with Available Human Resource to identify gaps: RECRUIT / RETRAIN)
- Match New Programmes with Infrastructure Available:
- BUILD New Infrastructure

KEY PERFORMANCE INDICATORS

Key Performance Indicators

Key Performance Indicators:

Set the required level of performance.

" Refer to the measurable characteristics of products, services, processes and operations used by an organisation to track, evaluate and improve organisational performance"

An indicator is a quantitative or qualitative factor or variable that provides a simple and reliable means o measure the achievement to reflect changes connected to an intervention

Balanced Scorecard

- The Balanced Scorecard may be used to develop the Key Performance Indicators

Balanced Scorecard

Public Service Management in Tanzania has chosen a Balanced Scorecard of indicators covering the following:

1) Operational effectiveness
2) Efficiency
3) Customer or client satisfaction
4) Internal capacity

Examples of Performance Indicators: Operational Effectiveness

- Number of graduates placed in employment
- Amount of fee revenue collected
- Number of printing jobs completed
- Number of Arts students trained

Examples of Performance Indicators: Efficiency

- Cost of training each Accounting student
- Profit margin obtained on consulting jobs
- Percentage of procurements completed on schedule

Examples of Performance Indicators: Customer Satisfaction

- Percentage of clients satisfied with quality of service delivery
- Number of complaints received about quality of products

Examples of Performance Indicators: Internal Capacity

- Percentage of lecturers trained in OPRAS
- Percentage of lecturers in the university having access to a personal computer for at least 12 hours per week
- Number of staff with access to the Internet
- Number of staff having attended short courses on case writing

The Plan’s Resource Requirements

The Plan and Resources

- The fulfilment of the Strategic Plan is critically dependent on the availability of resources
- A plan whose resource requirements are unknown is doomed to failure
- It is thus important to estimate the resources that will be required for plan implementation
- While the estimates can only give a rough figure, there should be a reasonable basis for the figures given

Performance Budgeting

- The Strategic Plan forms the basis for the performance management system
- On the other hand performance management is linked to the budget process through Performance Budgeting
- Performance Budgeting means linking the objectives of the Strategic plans directly to the budget items

Performance Budgeting

- If the process is done correctly, there should be a direct co-relation between the objectives/Targets of the Strategic Plan and the budget structure and items

- MTEF was introduced in order to achieve this uniformity between planning and budgeting

- If done well, one should be able to directly identify the resources/budget required for the achievement of the stated objective/Targets

Forecasting of Resource Requirements

- The Performance Budgeting platform is normally used to estimate the budget requirements over the SP period
- Thus, for each Objective, the budget requirements must be estimated
- It will be appreciated that not all price levels will be known. It is essential to make good estimates
- Use the form in the workbook to estimate the budget requirements for each year and then the total for the plan period
- Initially work at the Target level and then combine the amounts for all the Targets under that particular Objective to get the budget requirements for the Objective
- Transfer the amounts to the Strategic Plan Matrix

Forecasting of Resource Requirements

Formulation of Activities

- List interventions to be systematically carried out for each identified target in the SP
- Identify Inputs for Each activity (An activity may have several inputs)
- Cost each input (Establish unit measure for the input and the unit cost)

Proposed Format for the Strategic Plan

- Foreword- by the Vice Chancellor / Provost/CEO
- Executive Summary

1. Introduction: Short description of the approach adopted, purpose of the plan, Institutional Background (Role, aim and functions of the university, brief history, organisational structures). It should also describe the layout and structure of the document
2. Situation Analysis: Should be broken down according to to which methods were used in the Situational Analysis; For each method document (i) the main results and (ii) how the results were used in the plan
3. Mission, vision and core value statements
4. The Plan (Key Result Areas, Objectives, KPIs, Targets)
5. Strategic Plan Matrix / Results Framework
6. M&E Arrangements

- Annexes: e.g. Organizational Chart,

Qualities of Good Strategic Plan

- **Challenging**: Motivate the institution to strive its mission and vision
- **Change-oriented** and creative: Should involve creativity and innovativeness ("thinking outside the box")
- **Clear** and simple (less technical)
- **Analytical**: Reflect clear assessment of current situation as well as possible risks and uncertainty;

Qualities of Good Strategic Plan

- **Prioritised**: targets should be prioritised
- **Participatory** with **Ownership** (involve key stakeholders)
- **Flexible**: Changeable, updatable, reviewable to reflect changing circumstances

Asanteni sana kwa Kunisikiliza